SURFACE TRANSPORTATION BOARD

DECISION

STB Finance Docket No. 35116

R.J. CORMAN RAILROAD COMPANY/PENNSYLVANIA LINES INC.—CONSTRUCTION AND OPERATION EXEMPTION—IN CLEARFIELD COUNTY, PA

Decided: August 15, 2008

On May 20, 2008, R.J. Corman Railroad Company/Pennsylvania Lines Inc. (RJCP), a Class III rail carrier, pursuant to 49 U.S.C. 10502 and the regulations of the Board at 49 CFR 1121, filed a petition for exemption from the prior approval requirements of 49 U.S.C. 10901 to construct and to operate over approximately 10.8 miles of abandoned Consolidated Rail Corporation (Conrail) right-of-way from Wallaceton Junction, PA, at Conrail milepost 11.76, to Winburne, PA, at milepost 64.5 (Conrail milepost 22.56) (the Western Segment), and to rebuild the track on a 9.3-mile portion of rail banked line between milepost 64.5 near Winburne and milepost 55.2 near Gorton, PA (the Eastern Segment). The Western Segment connects at Wallaceton Junction with RJCP's existing rail line. Together, the Eastern and Western Segments would be operated by RJCP as the Beech Creek Branch Line.

Simultaneously with the filing of its petition, RJCP filed a motion to dismiss the part of this proceeding that pertains to the construction of the Eastern Segment. RJCP asserts that the planned construction on the Eastern Segment is not subject to the requirements of 49 U.S.C. 10901.

The petition for exemption raises issues that require consideration by the Board. By this decision, the Board is instituting a proceeding under 49 U.S.C. 10502(b). The issues presented by the petition and the motion to dismiss will be addressed in subsequent decisions.

It is ordered:

1. Under 49 U.S.C. 10502(b), a proceeding is instituted.

2. This decision is effective on its service date.

By the Board, Anne K. Quinlan, Acting Secretary.

Anne K. Quinlan Acting Secretary